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Constructing new policy narratives: The capability approach as normative language

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Abstract

Replacing the neo-liberal paradigm with the human development paradigm has been one the major drives of Richard Jolly's professional career. This paper examines the theoretical foundations of the human development paradigm as found in Sen's capability approach. The chapter presents the capability approach as a new normative language for policy and which as such has to be interpreted by its users. It argues that the language is characterised by some key words – wellbeing, functionings, capabilities, agency– but social actors who use the language are left free to combine these words in multiple ways, interpret them according to different policy settings, and construct context-dependent policy narratives. The chapter highlights two areas of interpretative differences: the purpose of the language (evaluation or transformation) and its unit of moral concern (individuals or structures). Using examples from poverty measurement and a National Human Development Report, the chapter illustrates that the choice of interpretation depends on the context in which the language is spoken and its audience. It concludes that the task of interpreting the capability approach is central to developing new policy narratives which put people and planet first.

Introduction

After years of negotiations and persuasion, in 1990 Mahbub ul Haq launched a new office at the United Nations Development Programme. Its mandate of was to produce an annual report which would monitor how well countries were doing, using different criteria from those of the World Bank's *World Development Reports*. For more than twenty years, the *Human Development Reports* have been reporting on how successful countries are in terms of 'human development'. The Reports have now become a basic reference for those looking for information about how well governments have succeeded in enabling people to live well in some selected dimensions, such as health, knowledge, political freedom, political empowerment and employment.²

By collecting data about the quality of people's lives and computing a composite index, the Human Development Index, to replace Gross Domestic Product as the indicator of success, the *Human Development Reports* have sought to bring about a paradigmatic shift and to develop an alternative to the neo-classical economic paradigm which had underpinned

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² See <http://hdr.undp.org/en>.

many policies worldwide since the early 1980s. Human development growth, approximated by better health and education outcomes and improved standards of living, should be the ultimate measure of development or progress, not economic growth. Replacing the neo-liberal paradigm with the human development paradigm has been a running theme and main driver of Richard Jolly's professional career. It has best been summarized in a short article he wrote soon after retiring from the UNICEF.

Human development puts 'people first' (Jolly, 2009). The economy is important but is only a means to an end. Economic growth can sometimes lead to greater inequity and fewer opportunities for people to live well. Investment in education and health matter, not only because they make the workforce more productive but because a healthy life and the pursuit of knowledge are part of what it means to live well as human beings. People's experience of poverty is multi-dimensional and not simply a matter of income. Poverty is also lack of voice, lack of access to knowledge, lack of access to health care and lack of dignified employment opportunities, among others. In sum what human development is, is very simple: it is a paradigm according to which concern for people, and the quality of their lives, should come first in every decision at whatever level, whether individual, organisational or governmental.

The human development draws heavily on the conceptual works of economist Amartya Sen, and his 'capability approach'.³ This paper interprets the capability approach as a new normative language for policy. It argues that it is characterised by some fundamental words – wellbeing, functionings, capabilities, agency, freedom– but speakers/ social actors are left free to combine these words in multiple ways, interpret them according to different policy settings, and construct context-dependent policy narratives. The paper highlights two areas of interpretative differences: namely the purpose of the normative language and its conception of the person. It illustrates how the capability approach language is interpreted differently according to various policy settings and used to construct different normative policy narratives. The paper argues that this plurality of interpretations is one of the capability approach's greatest strengths, and the main reason for which it is, to date, the most encompassing and compelling normative language with which to frame social action for improving people's lives. This openness to interpretative differences may however sometimes be a liability.

³ There were other influences such as the North-South roundtables and the Basic Needs Approach in the late 1970s adopted by the International Labour Organizations and later on by the World Bank, see Stewart (2006).

The capability approach as normative language

The concept of ‘capability’ first appeared in the late 1970s, in Sen’s Tanner Lectures ‘Equality of What’ (Sen, 1980), as an alternative formulation of equality to utility and primary goods. Sen vowed then ‘not to desist from doing some propaganda on its behalf’ (1980: 197). Many voices have joined in this advocacy in the three decades after the concept was first introduced, and some of these voices are now collectively organized in the Human Development and Capability Association, launched in 2004.⁴

The concept of ‘capability’ appears rather obscure to the uninitiated audience. As Sen acknowledged, ‘[c]apability is not an awfully attractive word’, a ‘nicer word could have been chosen’ (Sen, 1993: 30). As a more attractive word, the *Human Development Reports* have translated ‘capability’ as ‘choice’. This has created some misunderstanding, for human development is not about expanding consumer choices, such as a greater choice of brands or between different health care providers, but about expanding opportunities people have to function. Sometimes an increase in ‘choices’ in the latter sense, such as the choice between a public and private health system, may lead to a decrease in people’s opportunities to function – the introduction of a dual health system, for example, may lead to a disinvestment in public health system and exclude some people from accessing health care.

This section presents the concept of ‘capability’, and the approach based on it, as a normative language. It is a language because it possesses some basic words and grammar structure which define it. It is a *normative* language because the words are used to construct moral narratives and moral judgments. The capability approach is concerned with providing a normative approach to framing decisions, especially at the policy level. Should the British government cut university education expenditures and cease to subsidize students? Should the Peruvian government give a special tax allowance for agro-business exporters? Should the Ethiopian government invest large financial resources in building a dam on the Nile to generate more electricity for Addis Ababa?

The capability approach can also provide a frame for moral judgments at the individual level. Should one work part-time to devote more time to other activities? Should a household own one, two cars or none at all? When Gary Becker won the Nobel Prize in Economics in 1992, in his Nobel lecture he reported that he had had the insight of applying utilitarian economic theory to crime when he arrived late for an oral examination and had to

⁴ See www.hd-ca.org

decide whether to park in a paying car park or to park illegally and get a ticket.⁵ He calculated the risk of getting fined, the cost of the fine and the cost of the parking, and decided to park illegally given the low likelihood of getting fined. Using the capability approach would have led to a rather different process of deliberation and judgment.

The words of the capability normative language are few. They have been laid out most comprehensively in Sen's Dewey Lectures, entitled 'Wellbeing, Freedom and Agency' given in 1984 at Colombia University and published in 1985 in the *Journal of Philosophy*. The opening sentence says it all: 'The main of the lectures is to explore a moral approach that sees persons from two different perspectives: *wellbeing* and *agency*' (Sen, 1985: 169). Sen does not yet talk of a 'capability approach', but he talks of an approach to morality, the domain of what should be done, which conceives of persons as functioning bodies and minds and as agents. Any moral judgment, whether at the individual or policy level, is to be based on these two perspectives, wellbeing and agency. The opening paragraph of the Dewey Lectures concludes by saying that 'each aspect [wellbeing and agency] also yields a corresponding notion of freedom' (Sen, 1985: 169). In later writings, Sen talks of the 'opportunity' and 'process' aspect of freedom (Sen, 2002). Thus, it is a moral approach based on freedom, but a freedom inescapably connected to the twin concepts of wellbeing and agency, and not a freedom to express whatever desire one may have.

Sen contrasts having wellbeing with being well-off. The latter is concerned with opulence, with how much a person has, the former with how a person functions, what s/he succeeds in being or doing: 'The primary feature of well-being can be seen in terms of how a person can "function". I shall refer to various doings and beings that come into this assessment as *functionings*. These could be activities (like eating or reading or seeing), or states of existence or being, e.g., being well nourished, being free from malaria, not being ashamed by the poverty of one's clothing or shoes.' (Sen, 1985: 197-8) The moral approach that Sen presents is one in which the central moral question is 'What kind of a life is she [a person] leading? What does she succeed in doing and in being?' (Sen, 1985: 195) A social arrangement is good if it enables a person to succeed in doing and being things in areas they consider worthwhile. Sen does not give any indication as to what these activities or states of existence may be beyond the ones given above.⁶ The 'functioning approach is intrinsically

⁵ See http://www.nobelprize.org/nobel_prizes/economics/laureates/1992/becker-lecture.pdf.

⁶ In his Tanner Lecture, Sen spoke of 'basic capabilities', which he associated with 'a person's being able to do certain things', such as 'ability to move about', 'ability to meet one's nutritional requirements, the wherewithal to be clothed and sheltered, the power to participate in the social life of the community' (Sen, 1980: 218).

information-pluralist' (Sen, 1985:200). A person functions in many aspects and there are many activities she can do and many states she can be.

To this functioning moral approach, Sen adds another layer and extends it to a person's capability to function: 'The information pluralism of the functioning approach to wellbeing has to be further extended if we shift attention from the person's actual functionings to his or her *capability* to function. A person's *capability set* can be defined as the set of functioning vectors [a functioning vector being the set of functionings a person actually achieves] within his or her reach' (Sen, 1985: 200-1). Sen shifts his moral approach from a functioning to a capability approach so that one can include another type of information in moral evaluation: positive freedom or 'the freedom "to do this" or "to be that" that a person has' (Sen, 1985: 201). When one compares two states of affairs and judges whether one is better than another, the capability approach allows for 'comparison of actual opportunities that different persons have' (Sen, 1985: 201), and not simply for comparison of actual activities or states of existence. Two students may fail their exam and share the same state, a failed degree, but if one student had to work full time and look after siblings and didn't find time to study, and the other spent her days partying with her parents' money and didn't find time to study, the opportunity sets of these two students were very different.

In addition to wellbeing, functionings and capabilities, the normative language contains another central word: agency. Agency and wellbeing are connected but do not always go in the same direction. Agency is the 'pursuit of whatever goals or values he or she regards as important' (Sen, 1985: 203). A peasant in the Amazon who resists illegal logging and campaigns to protect the forest may risk his or her own life. Despite the obvious loss of wellbeing, that person exercises agency. In Sen's moral approach, information about agency, and not only wellbeing, has to be included in moral judgments. Sen justifies the inclusion of agency in the informational basis of moral judgement on the ground of recognition of responsibility. Persons are not only functioning, doing or being certain things, but they are also responsible: 'The importance of the agency aspect, in general, relates to the view of persons as responsible agents' (Sen, 1985: 204).

The language does not say that one type of information – functioning, capability, agency – is more important than another. Their importance varies according to context:

The wellbeing aspect may be particularly important in some specific contexts, e.g., in making public provision for social security, or in planning for the fulfilment of basic needs. [...] On the other hand, in many issues of personal morality, the agency aspect, and one's responsibility to others may be central.

The wellbeing aspect and the agency aspect both demand attention, but they do so in different ways, and with varying relevance to different problems. (Sen, 1985: 208)

Sen presented his moral approach as an alternative to the moral approach widespread in the discipline of economics. Instead of using utility as information for moral judgment, one should use wellbeing, understood as the ability to function, and agency. To take Gary Becker's decision of paying for parking or parking illegally, acting with respect for the law (agency) and therefore paying the car park, even if one would have preferred to spend the money in other ways, is as relevant a consideration in coming to a decision as the likelihood of being fined. Or consider a household decision to buy a car. Becker's approach would be to maximize the household's utility by weighing up the benefits and costs of having a car for the household, such as the costs of public transport, as against those of having a car. Sen's approach would be to include information about wellbeing and agency. If there is a disabled person in the household, then considerations for that person's wellbeing and mobility may override cost considerations. Or if the household has a strong environmental commitment, they might continue to use public transport despite wellbeing losses (lower mobility and maybe higher monetary costs). Agency is in this last case the most important information taken into account in the decision.

The moral approach presented in Sen's Dewey Lectures, i.e. the capability approach, can also be used to articulate other policy narratives. The capability approach is essentially about a space for evaluating social arrangements, and holds that the relevant information to use in evaluation is capabilities, functionings and agency. For example, is the UK government decision to increase university fees good? If it leads to young people having fewer opportunities to access university education, this social arrangement may not be good. But the public resources saved on university education could be redirected to support housing for people on low-incomes or address child poverty. In such case, the social arrangement may be good because it gives people more opportunities for affordable housing. There may be trade-offs. Is the construction of the Gibe dam in Ethiopia a good social arrangement? If the construction of the dam leads to people being forced to leave their land, to public resources being diverted from key social services and people having more limited access to health care, and to environmental degradation and loss of livelihood for many farmers, these are relevant considerations to use in the evaluation of the social arrangement, and not only information about economic resources generated by the dam.

The capability approach is thus a normative language which enables us to articulate a social reality from the perspective of wellbeing and agency. How its key words are combined,

which words are more important, depends on the situation. In relation to equality, the capability approach advocates that equality be assessed in the functioning and capability space rather than that of incomes or utility. In some contexts, one will use information about functionings, in other contexts, one will be able to use information about capabilities, the real opportunities or freedoms people have to do or be certain things. In other contexts, one will use information both about wellbeing and agency, or the opportunity to pursue goals beyond one's wellbeing.

There are thus many levels and perspectives from which the capability approach can be used, and many ways in which its key words can be combined to construct various narratives to evaluate a given social reality. This is why the capability approach has been so versatile. It is used in the field of education, health, disability, among many others. It is used to analyse social arrangements for women, indigenous peoples and other marginalized groups. Each context will yield different uses of the approach.

To sum up, the capability approach is a normative language based on freedom: the freedom a person has to pursue her wellbeing and the freedom she has to pursue other goals beyond her wellbeing. Wellbeing is conceived in terms of functionings, or beings and doings. Wellbeing can also include freedom: a person's wellbeing depends not only on what she does or is, but on *how* she has achieved that functioning. Eating a ready meal from a set menu or eating a meal cooked from scratch by one's chosen ingredients may lead to a similar functioning, being nourished, but one may derive greater wellbeing from the latter than the former because of the process involved in reaching that functioning. Whether wellbeing is a matter of functioning or a matter of agency foremost, the capability approach is open to both characterizations. In Sen's words:

If the wellbeing that a person gets from what she *does* is dependent on *how* she came to do it (in particular, whether she chose that functioning herself), then her well-being depends not just on *x*, but on the choice of *x* from the set *S*. [...] The crucial question here, in the context of wellbeing, is whether freedom to choose is valued only instrumentally, or is also important in itself. The capability approach is broad enough to permit both the rival – but interrelated – characterizations of wellbeing, and can be used in either way. (Sen, 1992: 150)

Freedom is an ambiguous concept, and the capability approach, as a moral approach which sees persons from the perspective of freedom, is therefore also ambiguous: 'Insofar as there are genuine ambiguities in the concept of freedom, that should be reflected in corresponding ambiguities in the characterization of capability. This relates to a methodological point [...]

that if an underlying idea has an essential ambiguity, a precise formulation of that idea must try to *capture* that ambiguity rather than hide or eliminate it.’ (Sen, 1993: 33)

The capability approach is deliberately incomplete and does not provide ‘a comprehensive theory of valuation’ (Sen, 1993: 48). It can be used with many other theories. It is a general approach ‘with various bits to be filled in’ (Sen, 1993: 48). Sen has provided the words of a new normative language, but its ambiguity gives rise to a plurality of interpretations. The next section discusses different, sometimes conflicting, interpretations of the capability approach. It highlights that this need not be a problem as the plurality of interpretations is a mirror of the deliberate incompleteness and openness of the capability approach.

Plurality of interpretations

The basic structure of the normative language of the capability approach has been written in many texts. This paper has focused on four (Sen, 1980, 1985, 1992, 1993). Like any text, these texts were written by a specific author, situated in a specific reality, with a specific intention and audience. Sen wrote primarily for neo-classical economists with the intention to demonstrate some problems with neo-classical economics (the use of utility as an approximation of human wellbeing and the assumption of rational choice), and for liberal egalitarian philosophers with the intention to demonstrate some problems with Rawls’s theory of justice (the use of primary goods as the informational basis of justice).

As a ‘discourse fixed by writing’ (Ricoeur, 1981: 144), a text is there to be read but to read it is ‘to fulfil the text in present speech’ (Ricoeur, 1981: 144), ‘to conjoin a new discourse to the discourse of the text’ (Ricoeur, 1981: 158). To read a text is always to relate its basic structure to the specific reality of the reader. Reading Sen’s texts is about translating their basic structure in the world of the reader. A feminist economist working in the reality of rural India does not read the texts of the capability approach in the same way as a liberal philosopher does in the reality of academia in New England, and they will not communicate the insights of the capability approach in the same way, for their reality, audience and intentions are different.

Like any text, the texts which fix the basic structure of the capability approach are open to interpretation, in the sense that the meaning of the original texts is always to be reconstructed by the reader according to his or her own reality. The work of interpretation is particularly needed as Sen has left the basic structure of the capability approach purposively

ambiguous. This section highlights two main areas of multiple interpretations: the purpose of the normative language and the conception of the person which underpins it.

Purpose of the capability approach

In a review article, Alkire (2005: 122) interprets the capability approach as a ‘proposition’ that ‘social arrangements should be evaluated according to the extent of freedom people have to promote or achieve functionings they value’. It provides an alternative informational basis for moral judgements to that of utility but falls short of being prescriptive about what type of information to include. It only advocates that the evaluation of social arrangements be in capability space, which can include a whole range of functionings and capabilities. The relevant information for evaluating, say, the wellbeing of female pensioners in rural Wales will be different from the one used to evaluate the wellbeing of migrant construction workers in Dubai.

As an evaluation space for assessing whether social arrangements are good or bad, the capability approach can be used to evaluate very diverse realities. For example, it can help articulate the reality of introducing Information and Communication Technology in a remote African village. Instead of analysing the economic impact of ICT, the capability approach constructs a story about whether ICT has generated more opportunities for the villagers to be or do what they have reason to value. Or it can help evaluate a certain type of school pedagogy. Instead of articulating a new pedagogy in terms of its impact on young people’s performance at tests, the normative language of the capability approach articulates this specific social arrangement in terms of young people’s wellbeing and agency.

In another review article, Robeyns (2005) talks of the capability approach as being ‘primarily and mainly a framework for thought’ (p. 96), a ‘broad normative framework for the evaluation and assessment of individual well-being and social arrangements’ (p. 94). She argues that poverty, inequality and social exclusion are not social phenomena that the capability approach seeks to explain. It aims only at conceptualising them in the light of individual freedom, and would need to be accompanied by explanatory theories. For example, it provides a structure for analysing the situation of some farming community whose livelihoods are affected by climate change. Instead of telling a story about income losses caused by failed crops, the capability approach tells the story of people no longer having opportunities to do or be what they value, such as opportunities to hold events which brought the community together and strengthened solidarity links between the members, or opportunities for women to cultivate land. But on this interpretation, the capability approach

does not explain why that farming community is losing opportunities to be or do what they value.

But the capability approach is subject to another interpretation. According to this, it is not only a normative language relevant to the evaluation of social arrangements, but also a language which is relevant to political action and social transformation. In other words, the capability approach is not only a framework for the evaluation of social arrangements or a framework for the analysis of social phenomena, but it can also be interpreted as a partial theory of justice.⁷

In his *Idea of Justice*, Sen (2009) argues against the need for a theory of justice, like that of Rawls's. Asking the question of what a just social arrangement is, he contends, is not a good starting point for thinking about justice. He argues that a comparative framework which enables one to decide between alternative social arrangements, whether one is better or worse than another, is a better starting point for making societies more or less just. He argues that the capability approach should be used as a comparative framework. One situation is more just than another if more people have more opportunities to reach valuable states of being or doings than another. A society where women have more opportunities for meaningful employment is more just than one in which women are denied the opportunity to work outside the home. But it is not the task of the capability approach, Sen would argue, to offer an idea of what a just social arrangement would be or to prescribe principles or programmes of action to bring about just social arrangements.

Martha Nussbaum's writings figure most prominently in the alternative interpretation of the capability approach - as a normative language to articulate political action and as partial theory of justice.⁸ She has proposed a list of ten central human capabilities and argued that these need to be inscribed in constitutions as fundamental human rights (Nussbaum, 2000, 2011). Nussbaum has 'filled in the various bits' (Sen, 1993: 48) of the capability approach with a combination of Aristotelian social democracy and Rawlsian political liberalism (Nussbaum, 1992, 2006).

Another way of using the normative language of the capability approach to articulate political action for new social arrangements is to link it to social movement theory. One

⁷ Alkire (2008) refers to the 'narrow' interpretation of the capability approach when used for evaluation, and 'broad' or 'prospective' interpretation when it is used for informing social action.

⁸ The French edition of Nussbaum's latest book, 'Creating Capabilities: The Human Development Project', has been translated as 'Capacités: Comment créer les conditions d'un monde plus juste?' (Capabilities: how to create the conditions of a more just world).

critique of Sen's writings on poverty and injustice is their silence regarding the unjust and alienating nature of the capitalist economic system (Dean, 2009; Bagchi, 2000, Feldman, 2010). This has led some authors to reject the capability approach as a credible alternative to utilitarianism and neo-liberalism, and even to perceive it as an ally of global capitalist expansion. These are, however, unjustified critiques. The purpose of Sen's writings was not to offer an alternative to capitalism but to offer a normative approach to analyse social arrangements from the perspective of wellbeing and agency. But this does not mean that one cannot interpret the basic structure of the capability approach in order to inform social action and political transformation. Every reader of the text will read the text and transfer it into his or her reality, and communicate it in a certain way given his or her intention and audience.

The normative language of the capability approach could help social movements articulate the reality of an unjust situation, and each movement can 'fill in the bits', to paraphrase Sen. To advocate employment opportunities for women, some organizations may use feminist Marxist theories of patriarchal alienation; others may use liberal legal theories of individual rights. Both are valid uses of the language to frame political action to promote opportunities for valuable functionings, as long as the theories 'used to fill in the bits' are compatible with a perspective of the person in terms of wellbeing and agency.

To the critique that the capability approach does not challenge the global capitalist mode of relations and only offers a way of assessing its symptoms rather than proposing a new configuration of power and social relations (Feldman, 2010), one can answer that this was not the original purpose of the author of its basic texts but there is no reason why one cannot adopt the basic structure of the capability approach, and fill it in with other theories, to offer a new model of economic relations which respects people's agency and promotes people's wellbeing better than the capitalist mode of production.

Conception of the person

A second area of plurality of interpretations relates to how the capability approach conceives the person. It is a moral approach which holds a conception of the person as free. This freedom has two perspectives: wellbeing and agency. A person is free when s/he has the opportunity to function [as a human being] and to pursue goals s/he values.

The central place of human freedom in the capability approach has made some interpret it as a form of liberalism, philosophically speaking (Robeyns, 2009). In Sen's basic structure, the capability approach does not presuppose a comprehensive doctrine of the good and, consistent with the basic tenets of liberalism, leaves people free to decide what

conception of the human good they want to pursue. In an argument with John Rawls about his concern that capabilities are in essence judgments about what is worthwhile and implicitly rely on a judgement about the nature of a good human life, Sen responds that: 'Capability reflects a person's *freedom* to choose between alternative lives (functioning combinations), and its value need not be derived from one particular "comprehensive doctrine" demanding one specific way of living' (Sen, 1990: 118). This is why Sen does not define the valuable capabilities which should enter the evaluation space, and talks of the 'capabilities people have reason to value'. It is up to processes of public reasoning within each society or context to define the 'valuable' capabilities which should enter the evaluation space of social arrangements. This is to respect people's freedom to define their own priorities and what capabilities are valuable in their own realities.

But this non-teleological view of human wellbeing need not be the only interpretation of the capability approach. When Sen wrote the basic texts of the normative language, his audience was that of political philosophy in which most academic arguments evolved around Rawls's *Theory of Justice*. The basic structure of the capability approach can be interpreted differently when taken to another audience. Martha Nussbaum has taken the capability approach in another direction by linking valuable capabilities to a particular conception of the human good, thus adopting a teleological conception of the person. What constitutes human wellbeing, to live well as a human being, is not, according to her, whatever people freely decide. In that context she has proposed a 'thick vague theory of the good' with her list of central human capabilities (Nussbaum, 1990, 1993). Sen has no objection to this interpretation, as long as it is not the only one (Sen, 1993).

Whether human life has an end, the perfection of the human good, or not, is not the only area of plurality of interpretations regarding the underlying conception of the person of the capability approach. Whether human life is individual or structural has been another area of disagreement.

The basic structure of the capability approach, as Sen presented it, is 'ethically individualist' because it affirms that states of affairs should be evaluated only according to their goodness or badness for individuals (Robeyns, 2005, 2008). Economic structures, social norms, informal and formal institutions are assessed according to their impact on individual lives. For example, the structure of the caste system, or the quality of family relations, does not enter into wellbeing evaluation, only their effects on individuals, via for example lack of employment opportunities, higher morbidity, lack of bodily integrity for women, higher

malnutrition, lower educational opportunities among the low caste. The caste system or family relations as such are not part of the assessment of social arrangements.

One reason for this commitment to ethical individualism is that a focus on groups or institutions may hide forms of oppressions and inequalities within the group (Alkire, 2008). Focusing on for example the family as a collective unit may hide the fact that, while enabling the flourishing of some members, usually males, it may be oppressive to other members, usually females. How a 'good' family is defined is often the product of power relations with women having no voice – men for example defining a 'good' family as one in which women stay at home and are subject to their husband (Robeyns, 2008). Therefore, it is individuals, and the opportunities they have to function, not groups, who are the object of justice:

There is indeed no particular analytical reason why group capabilities must be excluded a priori from the discourse on justice and injustice. The case for not going that way lies in the nature of the reasoning that would be involved. [...] Ultimately, it is individual evaluation on which we would have to draw, while recognizing the profound interdependence of the valuation of individuals who interact with each other. [...] In valuing a person's ability to take part in the life of society, there is an implicit valuation of the life of the society itself, and that is an important enough aspect of the capability perspective. (Sen, 2009: 246)

Thus, on this interpretation of wellbeing and agency, it is sufficient to recognize individual inter-dependence and interaction but the structures which emerge from that inter-dependence are not part of the moral evaluation.

There is however another interpretation of the conception of the person in a moral approach which adopts the perspective of freedom. Because persons interact and are in relation with each other, they create something which is beyond them and which therefore should be part of any normative language which aims at articulating the goodness or badness of social arrangements. Because relations are constitutive of human life, these relations acquire an existence beyond the control of any individual life (Deneulin, 2008). This does not mean that they are immune to change, but no individual as such has control over it, only multiple individual actions or collective action do.

The economic system which provides the basis for the exchange of goods may be the result of individual interactions, but it also constitutes a structure which profoundly shapes the opportunities people have to live well, and should therefore be part of the evaluation of justice (Deneulin, 2011). A society structured by an unregulated economic system based on giving priority to the maximisation of short-term profits over human wellbeing may create fewer opportunities for valuable functionings than one structured by an economic system

based on the subjugation of profits to concern for the wellbeing of the workers. A society structured by a political system based on racial superiority of a few creates fewer opportunities for valuable functionings than a society based on a political system which sees everyone as having equal political, social and economic opportunities. Collecting information about individual wellbeing only, including their ability to participate in society and collective action, omits a very important aspect of human life, namely that human life is embedded into a complex web of structural relations which do not belong to any individual as such. The quality of these structural relations matters in judging the goodness or badness of social arrangements. Analysing the nature of social institutions, from the caste system to the global financial architecture, should be a major concern for human development policy (Stewart, 2012).

The construction of policy narratives

Each interpretation gives rise to the construction of different policy narratives. The normative language of the capability approach was introduced in order to provide an alternative to utilitarianism as a foundation for economic decision and policy. This section describes some examples of how the basic structure of the language of the capability approach gives rise to the framing of alternative policy narratives. It has selected two narratives which broadly reflect the plurality of interpretations of the language described in the previous section: the Multi-Dimensional Poverty Index and the National Human Development Report of the Dominican Republic.

The Multi-Dimensional Poverty Index (MPI)

For decades, international poverty measures have consisted in counting the number of people living below the poverty line – usually set at the amount of money a family needs to meet some minimal food and shelter requirements. These measures have been based on the language of neo-classical economics and its approximation of wellbeing in terms of preference satisfaction and income and consumption levels. The Multidimensional-Poverty Index uses instead the language of the capability approach to measure poverty. It singles out three dimensions of wellbeing and is measured by 10 indicators which have been chosen for international comparison purposes on the basis of existing data availability: health (nutrition, child mortality), education (years of schooling, school attendance) and living standards

(cooking fuel, sanitation, electricity, floor and assets).⁹ A person is poor if s/he is deprived in at least one dimension. In 2010, the Oxford Poverty and Human Development Initiative (OPHI) estimated that 53.7% of the Indian population was multi-dimensionally poor. This compares to the 37.2% of the population below the national poverty line according to data from Indian government.¹⁰

Whether one uses data on income poverty or multi-dimensional poverty, different policy narratives unfold. If one uses the neo-classical language, policies will focus on raising people's incomes and pushing people above the income level. For example, the Indian government pursued market liberalization which led to an unprecedented rate of economic growth, at about 8% average in the last 10 years (Drèze and Sen, 2011). These policies reduced the number of income poor significantly. According to World Bank estimates, the poverty headcount ratio, calculated at the national poverty line, was 45.3% in 1994. In 2010, only 29.8% of the population was estimated to be poor.¹¹

In contrast, if one uses the capability language, policies will focus on redistribution and social policies to ensure that people have opportunities to be or do some valuable things, such as being healthy. In that matter, the assessment of India's economic policies is less of a successful story. Despite the high rate of economic growth, child malnutrition has more or less stagnated. Deaton and Drèze (2009) report that the proportion of underweight children, in the 0-3 year age group, only fell from 47% in 1998-1999 to 46% in 2005-06. The economic policies pursued by the Indian government, and the neglect of investment in agriculture and rural areas, have also led to higher levels of mortality among the farming community, with farmer suicide rising at alarming levels in some Indian states (Nagaraj (2008).

The Multi-Dimensional Poverty Index sits clearly within the interpretation of the normative language as an evaluation framework for social arrangements, and not as a partial theory of justice. The MPI is not designed to understand the causes of poverty and to propose a programme of action to remedy it. It simply evaluates states of affairs. It also has a conception of the person based on individuality. The MPI looks at how deprived each person is. It 'assesses the nature and intensity of poverty at the individual level' (OPHI, 2011).

⁹ See policy brief 'Multidimensional Poverty Index 2011' at www.ophi.org.uk.

¹⁰ See 'MPI Country Brief: India' at <http://www.ophi.org.uk/wp-content/uploads/India.pdf?cda6c1>.

¹¹ <http://data.worldbank.org/country/india>

However, this interpretation is not necessarily exclusive of other interpretations. The MPI can be seen as the first stage of a partial theory of justice. By offering a vivid description of the nature and intensity of deprivation, it does point to policy failures, such as the failure to provide adequate nutrition and sanitation. Neither does the MPI's strong individual focus rule out the assessment of social arrangements at a more structural level. The OPHI 2011 MPI Policy Brief describes the life of Adil in West Bengal beyond the three dimensions and ten indicators which constitute the Index. His employment opportunities depend on personal and social relations which are often exploitative. The securing of basic functionings, such as being nourished and being sheltered, is immersed in a complex set of patron-client relationships which, on the one hand, give him some functionings but, on the other hand, strip him of his agency. The evaluation space of social arrangements can be broadened to include data on the quality of structural relations, such as the nature and intensity of clientelism, or the nature and intensity of political inequality in democratic institutions. Creating measures of structural relations, in addition to measures of individual functionings, remains a challenge but one could envisage supplementing quantitative assessments of individual characteristics by qualitative assessments of structural characteristics.

The MPI is an example of how different policy narratives can be constructed on the basis of the normative language of the capability approach and illustrates how the language can be *interpreted*, that is, the reader reads the basic texts of the capability approach within his/her own context and transmits them to a specific audience. In the context of the MPI, the audience is economists and statisticians working for governments and international institutions, who had previously measured poverty in terms of income. Were the audience different, say, social movements who drew their inspiration from Marxist thought, the interpretation of the basic texts would have been different.

The National Human Development Reports

The *Human Development Reports* were one of the first attempts at communicating the normative language of the capability approach to a wider non-academic public. In doing so, they have interpreted the basic language in a certain way, with a given audience and intention in mind: offering an alternative to the annual *World Development Reports* of the World Bank. They have gone beyond the evaluative and individual interpretation of the capability approach and offered a rich analysis of some of the causes for high and low achievements in wellbeing outcomes, and suggested a programme of action for influencing these

achievements.¹² Some National Human Development Reports have also attempted to go beyond the evaluation of wellbeing at the level of individual characteristics to include structural relations. The NHDR from the Dominican Republic of 2008, entitled ‘Human Development: A Question of Power’ included an analysis of the configuration of power in the country, in addition to collecting data of functionings at the individual level.¹³ It concluded that one of the main obstacles to people having opportunities to be or so some valuable things, such as being educated or healthy, was inequality. The range of opportunities available for particular people and groups depends on how much power certain groups have (p. 3). It is symptomatic in that respect that significant public resources have been allocated to building a metro line in a low population density area of Santo Domingo and not in a high density area where it would benefit more people, and that public resources have been diverted from social investment in the poor urban areas where the vast majority of people lacking basic opportunities live (p. 139).

In the context of the Dominican reality, the normative language of the capability approach acquires another meaning. Reading the basic texts of the capability approach entails taking them outside their initial contexts (neo-classical economics and liberal political philosophy) to the context of the reader. This is why the authors of the Report take development beyond its individual dimension to the collective, and bring a specific perspective on human development: ‘Capabilities, that is, the personal capacities and conditions to be able to do or be what one values in life are carried by individuals, but they are socially constituted’ (p. 3, translation mine). In other words, individuals are socially constituted and limiting the evaluation space of wellbeing to individual characteristics leaves out the social constitution of human life. Individuals are who they are through the relationships they engage in, whether at inter-personal family level or structural national and global level.

In the Dominican context, analysing the social reality from the perspective of individual capabilities would deform the reality, as key individual capabilities such as the

¹² The capability approach and human development have often been used as synonyms. However, as the paper has demonstrated, the interpretations of the capability approach are multiple and ‘human development’ is one interpretation, one which emphasises the need to go beyond evaluation to include an analysis of the causes of deprivations, why people lack the freedoms to do or be valuable things, and how to remedy the situation and remove these unfreedoms.

¹³ There is only a Spanish version at http://hdr.undp.org/en/reports/national/latinamericathecaribbean/dominicanrep/NHDR_2008_DominicanRep.pdf

opportunity to be educated are collective: ‘The possibilities of having an education of quality or having access to an effective justice system depend on institutional circumstances [...]’. But moreover, persons live in society and therefore, the quality and form of inter-personal relations are part of the equation of the wellbeing of people’ (p. 3, translation mine). Institutions are therefore not only instrumental to people’s wellbeing, the quality of relations and structures built on these relations (such as political and economic structures) are constitutive of human wellbeing.

Given that the NHDR is written under the auspices of the UNDP which depends on the approval of a country’s government for its presence, the Dominican NHDR could not give an in-depth rendition of the power relations which structure the Dominican society but nonetheless provided a framework for other groups, such as civil society organizations to do so. The NHDR calls on the Dominican civil society to exercise their agency collectively and change the distribution of power in the country so that certain economic groups do not trump the interests of the marginalized. It defines power as a ‘relation between people and groups’ (p. 4, translation mine). Power becomes problematic when the relation between people and groups becomes one of exploitation and domination.

The Dominican NHDR talks of ‘collective capabilities’ as ‘referring to the capabilities that people have to influence decisions which affect them and to the institutional framework which guarantee access to opportunities, such as achievements which are only possible in a collectivity’ (p. 4, translation mine). Indeed, the capability that people have to affect decisions is something which belongs to a structure. An individual, or even a group of people, has no capability to influence the decisions of an autocratic government which uses violence against dissent. The opportunity they have to influence policy decision depends on the political structure, which is beyond any individual reach. It is therefore paramount to extend the wellbeing evaluation space to collective functionings, or what Stewart (2012) calls ‘social competencies’, what institutions can do or the relationships which structures allow or do not allow. An autocratic violent political structure does not allow for relationships of trust and equality between people. A financial economic structure based on risk and greed does not allow for relationships of respect and mutual concern between economic actors.

Conclusion

Amartya Sen has constructed a new normative language in the social sciences, a language based on ‘freedom’, understood as wellbeing and agency. This language is introducing a paradigmatic shift in the social sciences. People, their wellbeing and agency, are to be the

centre of concern of all social analysis and social action. But Sen wrote the basic structure of the language in a given context with a given audience. Readers of the text will unavoidably have to interpret the texts, the words and structure of the capability approach, within their own context, audience and purpose. This paper has highlighted two major interpretations. The first relates to the purpose of the language: is it a language to be used only for evaluation of social arrangements or is it to be used also for social transformation? The second relates to the conception of the person the language rests on: does a person have an end beyond his or her own freedom and is a person the ultimate unit of moral concern or does s/he create relationship and structures which are also ultimate unit of moral concern?

The paper has emphasised that these interpretations are not mutually exclusive, for interpretation is always context-dependent. In some contexts, such as economic analysis of poverty, one interpretation will prevail. In others, such as political analysis of social change, another interpretation prevails. However, not all interpretations are equally valid. Interpretations which read the texts of the capability approach as another name for human resources and a justification for investment in health and education for the sake of economic growth do misinterpret the capability approach. Or interpretations of the capability approach which reduce it to a matter of 'expanding choices', especially consumer choices, equally misinterpret the texts.

There will unavoidably be a conflict of interpretations, sometimes it will be possible to arbitrate between them, such as the difference between interpreting capabilities as 'choices' or 'genuine opportunities for human flourishing', sometimes the disagreement will remain, such as whether individuals should be the ultimate unit of moral concern for wellbeing evaluation and whether human life as an end goal. As Ricoeur pointed out in his discussion of hermeneutics:

If it is true that there is always more than one way of construing a text, it is not true that all interpretations are equal.... The text is a limited field of possible constructions. The logic of validation allows us to move between the two limits of dogmatism and scepticism. It is always possible to argue against an interpretation, to confront interpretations, to arbitrate between them and to seek for an agreement, even if this agreement remains beyond our reach. (Ricoeur, 1981: 213)

The paper has sought to lay bare two main interpretations of the basic texts of the capability approach and describe various policy narratives constructed on the basis of these interpretations. The Human Development Reports started the work of constructing narratives on the basis of this new normative language of the capability approach in 1990. The reality of the world of 2012, with global inequality and environmental degradation at their highest

levels ever, points to the urgency of constructing new policy narratives. It is in the struggles to change the economic, social and political structures which have led to such reality that a plurality of interpretations of the capability approach is essential. And in this regard, the normative language of the capability approach cannot be left on its own but has to be filled in with the many bits that different social and political theories, and indeed ethical theories, offer.

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